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SUBJECT: REGIONAL ELECTIONS: APRA DOWN AND HUMALA OUT AMID
FRAGMENTED POLITICAL LANDSCAPE

REF: LIMA 4422 AND PREVIOUS

Summary:

¶1. (U) Independent local groups won the majority of regional presidencies and mayorships in Peru's 11/19 elections. Former presidential candidate Ollanta Humala's Peruvian Nationalist Party was all but wiped out and APRA lost significant ground, holding on to only three Regional Presidencies. Three fast-rising candidates bucked the anti-incumbent trend: Lima Mayor Luis Casteneda, Callao Region President-elect Alex Kouri, and Lambayeque Regional President Yehude Simon. The election results leave a fragmented political landscape, but most observers expect that President Garcia will negotiate successfully with the regional presidents, whose governments depend on the GOP for financing. End Summary.

¶2. (U) Several important trends emerge from Peru's regional and municipal elections:

Fragmentation Continues

¶3. (U) The majority of winning candidates came from independent local political organizations that defeated the national parties and turned out most incumbents. Winners emerged from fields with multiple candidates, most winning with less than 30 percent of the vote, making for tenuous mandates in many cases.

Humala All But Vanishes

¶4. (U) Former presidential candidate Ollanta Humala's Peruvian Nationalist Party (PNP) took no regional presidencies and only one major mayor slot, in Arequipa, Peru's second largest city. Even that triumph, however, is less than it might appear. Arequipa's mayor-elect Simon Balbuena is not so much an Humalista loyalist as a local politician of long standing and oft-changing allegiances,

having previously been associated with President Fujimori (refs). (The UPP, which informally broke from Humala's PNP and ran separate candidates in most races, won the regional presidency in the department of Cusco.)

15. (U) Ollanta Humala's nationalist party even lost to members of the family clan. In Puno, once a bastion of Humala support, Hernan Fuentes won the regional presidency representing Avanza Pais, the party that backed the unsuccessful campaigns of Humala's brothers, Ulises and Antauro, for the presidency and congress last April. (Note: Humala's post-election relations with his siblings have been distant. End Note.)

APRA Down

16. (SBU) The ruling APRA party also fared poorly, winning only three regional presidencies (Libertad, Moquegua and Piura) -- a sharp drop from the 12 regions it controlled before. APRA also lost the provincial mayorship of Trujillo, the historical birthplace of the APRA and long a bastion of party support. APRA leaders had predicted a poor showing, even suggesting that regional elections have historically gone against the party in power, but this result is somewhat bleaker than most expected. Even so, APRA leaders are putting a brave face on the outcome and focusing on the near elimination of Humala as a factor in Peruvian politics.

Key Independents Win

17. (U) While the tide of localism washed out the major parties and most incumbents, some familiar faces performed well. Lima Mayor Luis Casteneda was re-elected with 48 percent of the vote, more than 30 points ahead of his next closest rival, and the Unidad Nacional (UN) alliance that supported him won 17 of 20 district mayorships in the Lima Region. (Despite the impressive showing in Lima, UN candidates did not score a single victory outside the capital.) Alex Kouri, former Mayor of Callao, won the Callao Regional Presidency with 50 percent. And Yehude Simon of the left-oriented Humanist movement was re-elected Regional President of Lambayeque with 46 percent.

18. (U) Casteneda, Kouri and Simon had all turned in solid performances in their previous tenures. Casteneda and Kouri are both known for public works, while Simon has distinguished himself as a conciliator. Lima mayor Casteneda's easy re-election sets him up for a possible run for Peru's Presidency in 2011, but some believe that his victory -- with less than 50% of the popular vote after a polling high of over 60% -- reflects concerns about poor financial management which could jeopardize his broader political ambitions.

Comment:

19. (SBU) Incumbents, the national political parties including APRA, and Humala were the big losers in the regional elections. Despite APRA's losses, the central government has plenty of cards to play in bargaining with regional presidents and local mayors. Some observers believe President Garcia might not mind the prospect of dealing with a divided political landscape whose multiple leaders pose no major challenge and depend on the GOP for program funding and budget support. Prime Minister Jorge del Castillo told the Ambassador November 20 that the election results were so dispersed that the national government was the only entity left with the ability to project influence throughout the country.
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